

## NOTICES OF RULEMAKING DOCKET OPENING

The Administrative Procedure Act (APA) requires the publication of Notices of Rulemaking Docket Opening when an agency opens a rulemaking docket to consider rulemaking. Under the APA effective January 1, 1995, agencies must submit a Notice of Rulemaking Docket Opening before beginning the formal rulemaking process.

### NOTICE OF RULEMAKING DOCKET OPENING

#### OFFICE OF THE SECRETARY OF STATE

*Editor's Note: The following Notice of Rulemaking Docket Opening was exempt from Laws 2010, Ch. 287, § 18. (See the text of § 18 on page 275.)*

[R11-16]

- 1. Title and its heading:** 2, Administration  
**Chapter and its heading:** 12, Office of the Secretary of State  
**Article and its heading:** 3, Registration of Telemarketing Sellers; 8, Professional Employer Organizations; 11, Notary Public Bonds and Fees, 12, Electronic Notary  
**Section numbers:** R2-12-302, R2-12-805, R2-12-1102, R2-12-1202, R2-12-1207, R2-12-1208, R2-12-1209 (Sections may be added, deleted, or modified as necessary.)
- 2. The subject matter of the proposed rule:**  
Review of fees in the Office of the Secretary of State, Business Services Division.
- 3. A citation to all published notices relating to the proceeding:**  
None
- 4. The name and address of agency personnel with whom persons may communicate regarding the rule:**  
Name: Joann Cota, Director  
Address: Secretary of State, Business Services  
1700 W. Washington St., 7th Floor  
Phoenix, AZ 85007  
Telephone: (602) 542-4285  
Fax: (602) 542-4366  
E-mail: jcota@azsos.gov
- 5. The time during which the agency will accept written comments and the time and place where oral comments may be made:**  
Written and oral comments will be accepted at the location listed in item 4, Monday through Friday, 8:00 a.m. to 5:00 p.m., except state holidays and state furlough days.
- 6. A timetable for agency decisions or other action on the proceeding, if known:**  
None

### NOTICE OF RULEMAKING DOCKET OPENING

#### ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM (AHCCCS)

#### ADMINISTRATION

*Editor's Note: The following Notice of Rulemaking Docket Opening was reviewed per Laws 2010, Ch. 287, § 18. (See the text of § 18 on page 275.) The Governor's Office authorized the notice to proceed through the rulemaking process on January 20, 2011.*

[R11-07]

- 1. Title and its heading:** 9, Health Services  
**Chapter and its heading:** 22, Arizona Health Care Cost Containment System – Administration  
**Article and its heading:** 7, Standards for Payments  
**Section numbers:** R9-22-712.20, R9-22-712.25, R9-22-712.30, R9-22-712.35, R9-22-712.40 (Sections may be added, deleted, or modified as necessary.)
- 2. The subject matter of the proposed rule:**  
In 2004, the Arizona Legislature, through Laws 2004, 2nd Regular Session, Ch. 297, § 3 amended A.R.S. § 36-2903.01(H)(3) directing AHCCCS to establish a capped fee schedule for outpatient hospital reimbursement. The

*Arizona Administrative Register / Secretary of State*  
**Notices of Rulemaking Docket Opening**

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amendment granted AHCCCS broad discretion as to the design and implementation of a capped fee schedule for these service and directed AHCCCS to pay for any outpatient hospital services that were not included in the fee schedule based on the state-wide average cost-to-charge ratio. AHCCCS adopted rules (A.A.C. R9-22-712.10 through R9-22-712.50) to implement the capped fee schedule effective July 1, 2005.

As drafted in 2005, the AHCCCS Outpatient Hospital Reimbursement rules anticipated the need for periodic revision, both because this was the first implementation of an original capped fee schedule and because it was recognized from the beginning that the methodology would be very prescriptive, leaving no room to accommodate changes in the health care and economic environments. The current rule requires that the fee schedule and the state-wide cost-to-charge ratio be “rebased” using more current Medicare cost data every five years. A.A.C. R9-22-712.40.

In the five years since the original adoption of the current rule, AHCCCS has also identified the need to consider a number of refinements to the existing methodology to ensure proper cost containment. Some of the issues that have been identified include, but are not limited to, adjustments to the peer group modifiers that are currently fixed in rule and their application to certain charges, adjustment or elimination of separate payment for outpatient observation, grouping charges by dates of service as well as by procedure type, clarification of settings that qualify for payment as outpatient hospital settings.

**3. A citation to all published notices relating to the proceeding:**

Notice of Proposed Rulemaking: 17 A.A.R. 264, February 18, 2011 (*in this issue*)

**4. The name and address of agency personnel with whom persons may communicate regarding the rule:**

Name: Mariaelena Ugarte  
Address: AHCCCS  
Office of Administrative Legal Services  
701 E. Jefferson St., Mail Drop 6200  
Phoenix, AZ 85034  
Telephone: (602) 417-4693  
Fax: (602) 253-9115  
E-mail: AHCCCSRules@azahcccs.gov

**5. The time which the agency will accept written comments and the time and place where oral comments may be made:**

The Administration will accept written comments Monday through Friday, 8:00 a.m. to 5:00 p.m., at the address indicated in item 4. Public hearings will be scheduled later to provide a forum to receive verbal comments and testimony related to the rulemaking with interested parties. E-mail comments are accepted.

**6. A timetable for agency decisions or other action on the proceeding, if known:**

The Administration expects to publish a Notice of Proposed Rulemaking in January or February 2011 in the same publication as the Notice of Rulemaking Docket Opening of the *Arizona Administrative Register*. (*Editor's note: See item 3.*)